



General Assembly

February Session, 2014

Raised Bill No. 5276

LCO No. 1399



Referred to Committee on COMMERCE

Introduced by:
(CE)

***AN ACT CONCERNING SUPPLEMENTAL FUNDING UNDER THE
PRESEED FINANCING PROGRAM.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 32-41x of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2014*):

3 (a) There is established an account to be known as the "preseed
4 financing account" which shall be a separate, nonlapsing account
5 within the General Fund. The account shall contain any moneys
6 required by law to be deposited in the account. Moneys in the account
7 shall be expended by Connecticut Innovations, Incorporated, for the
8 purposes of providing preseed financing pursuant to the program
9 established in subsection (b) of this section.

10 (b) Connecticut Innovations, Incorporated, shall establish a program
11 to provide preseed financing for [Connecticut businesses] eligible
12 businesses, which shall include, but not be limited to, financial
13 assistance for the development of proof of concepts and support
14 services. Financial assistance shall not exceed one hundred fifty

15 thousand dollars per eligible business. An eligible business shall (1) [be
16 principally located in Connecticut, (2)] have not less than seventy-five
17 per cent of its employees working in Connecticut if such business has
18 employees, and [(3)] (2) demonstrate private investment dollars of not
19 less than fifty cents for every dollar of financial assistance sought from
20 the program established pursuant to this section. For the purposes of
21 this [subsection] section, "private investment dollars" shall include
22 funds from a public institution of higher education, except those funds
23 derived from state appropriations or student tuition and fees, that are
24 used to assist in the commercialization of technology owned by a
25 public university.

26 (c) The corporation may, not earlier than two months following an
27 award of financial assistance to a business pursuant to subsection (b)
28 of this section, award additional financial assistance to such business,
29 provided (1) if such business has employees, not less than seventy-five
30 per cent of such employees work in Connecticut, and (2) such business
31 demonstrates private investment dollars of not less than ten cents for
32 every dollar of financial assistance sought under this subsection. Any
33 such additional award of financial assistance shall not exceed two
34 hundred thousand dollars.

35 [(c)] (d) The corporation may enter into an agreement, pursuant to
36 chapter 55a, with a nonprofit corporation providing services and
37 resources to entrepreneurs and businesses to operate such program.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2014	32-41x

Statement of Purpose:

To allow Connecticut Innovations, Incorporated, to provide follow-up funding to businesses that receive financial assistance under the preseed financing program.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]